
PineStoneGlobal Equity: MSCI World Benchmark

For the month of: **May** **2024**

Manager Performance Calculations** Annualized returns*

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
PineStone	3.67%	N/A	N/A	N/A	N/A
MSCI World	4.47%	N/A	N/A	N/A	N/A

Performance Attribution & Strategy Comments

Global equity markets experienced positive performance over the month of May, reversing the losses that we saw in April and continuing the strong absolute returns in 2024. Expectations increased for some Central Banks to start reducing interest rates in June, which fueled bullish sentiment. Germany's DAX index, the UK's FTSE 100, and France's CAC 40 achieved historical highs, and, in the United States, we saw continued outperformance of the technology sector.

The Fund was up in absolute returns and underperformed relative to its benchmark, the MSCI World Index, over the period. The underperformance over the month of May was primarily driven by sector allocation as our overweight position in the Consumer Discretionary sector was a relative detractor. Security selection was also a detractor in May. Specifically, it was less successful in the Information Technology and Financials sectors. Conversely, security selection in Industrials and Consumer Discretionary sectors positively contributed to performance.

The top two relative detractors over the month of May were AutoZone and Moët Hennessy Louis Vuitton SE (LVMH), while Taiwan Semiconductor Manufacturing Company (TSMC) and Compagnie Financière Richemont were the top two relative contributors.

AutoZone reported in our view weaker than expected Q1 results mostly due to weather and the timing of tax returns that have a significant impact on the DIY segment. LVMH gave back much of April's gains that came on the back of better-than-expected first-quarter results. LVMH remains a core holding due to what we believe to be its best-in-class portfolio of global luxury brands in jewelry, fashion, spirits, watches, retailing, and perfumes.

Taiwan Semiconductor stock outperformed as it is viewed as one of the winners in the Artificial Intelligence (AI) infrastructure build out phase. As for Compagnie Financière Richemont, the stock continued its positive momentum following recent results that exceeded expectations. The stock has been trading at an attractive valuation, and its catch-up with the rest of the sector is continuing.

The Fund is currently overweight (relative to the MSCI World) in the Consumer Discretionary and Financials sectors while underweight in the Energy, Information Technology, and Utilities sectors. Sector weights are an output of the Investment Team's views on the bottom-up fundamentals of each portfolio company.

Manager Style Summary

PineStone is a "bottom-up" manager, whose process is driven by individual security selection. They invest in quality companies and seek to consistently compound shareholder wealth at attractive rates of return over the long term while preserving capital. Country and sector exposures are by-products of the security selection process. The portfolio consists of roughly 30-50 securities at a time. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

PineStone

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Portfolio Guideline Compliance

Portfolio Guideline:	Index	PineStone	Calc	Min	Max	Compliance
B3. No more than 10% of the account shall be invested in any one security @ purchase						Yes
B4. Number of issues		31		25	50	ok
B5. Issuer market capitalization: above \$1 billion @ purchase						Yes
B6. Normal Regional Exposures (* benchmark +/- min/max):						
North America		66%		30%	80%	ok
Japan		3%		0%	30%	ok
Europe ex UK		15%		10%	50%	ok
UK		8%		0%	50%	ok
Pacific ex Japan		0%		0%	30%	ok
Emerging Markets		9%		0%	20%	ok
Non-Index Countries		0%		0%	20%	ok
Total		100%				
B7. Normal Global Portfolio Characteristics						
ROE	12.1	26.5	219%	100%		ok
ROIC	10.1	31.2	308%	100%		ok
Price/Earnings	19.9	25.6	128%	50%		ok
Price/Book Value	3.2	7.8	243%	50%		ok
Price/Cash Flow	13.6	21.8	160%	50%		ok
Dividend Yield	1.8	1.3	73%	25%		ok
Market Capitalization	655,546	601,659	92%	25%		ok
C2. Max value of forwards w/single counterpart		0%			30%	ok
C3. Cash/cash equiv in non-USD currencies		0%			10%	ok
F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities						Yes
F3. Annual turnover		0%		10%	20%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines						<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Manager Explanations for Deviations from Portfolio Guidelines

F3. Annual turnover The high-conviction, long-term approach has generally resulted in a historical name turnover below 10% on an annual basis.

Total Firm Assets Under Management (\$m) as of: Qtr 1 \$ 51,518

Organizational/Personnel Changes

Hiring of Claudia Gourde as General Counsel & Chief Operating Officer, effective January 29, 2024. She joined the firm's Management Committee and reports to PineStone's CEO and CIO, Nadim Rizk.

Account Turnover

Gained: Number of Accounts: 7 Total Market Value (\$m): \$ 1,564.0
 Lost: Number of Accounts: 1 Total Market Value (\$m): \$ 6.0
 Reason(s): The amount redeemed was reinvested via two newly created entities